

Appendix A

INTELLECTUAL PROPERTY RIGHTS

Each Recipient, as defined in Part 32 of the DoD Grant and Agreement Regulations, DoD 3210.6-R, [including public and private institutions of higher education, public and private hospitals and other quasi-public and private non-profit organizations] (hereafter referred to as “Part 32 Recipients”), and each Recipient, as defined in Part 34 of the DoD Grant and Agreement Regulations, DoD 3210.6-R, [including for-profit entities] (hereafter referred to as “Part 34 Recipients”), shall be subject to the following intellectual property provisions.

I. PATENTS AND INVENTIONS

(A) All Part 32 Recipients and Part 34 Recipients that are small business concerns shall comply with applicable regulations governing patents and inventions, including Government wide regulations issued by the Department of Commerce at 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements." Grants and cooperative agreements shall include the patent rights provision of 37 CFR 401.14 as modified below.

(B) All Part 34 Recipients other than small business concerns shall comply with applicable regulations governing patents and inventions and shall include the patent rights provision of 37 CFR 401.14 as modified below.

(C) The patent rights clause found at 37 CFR 401.14 is modified as follows: replace the word "contractor" with "Recipient;" replace the word "contract" with "award"; paragraph (b) is modified to include at the end thereof the additional language provided after the colon in 37 CFR 401.5(e), paragraph (f) is modified to include the additional requirements stated in 37 CFR 401.5 (f)(1), (2) and (3); delete paragraphs (g)(2), (g)(3) and the words "to be performed by a small business firm or domestic nonprofit organization" from paragraph (g)(1); insert under paragraph (1) entitled “Communications” the following:

- (1) “The point of contact on matters relating to this clause will be:
Commanding Officer
Office of the Patent Counsel
SPAWARSYSCEN PACIFIC CODE 360012
53510 Silvergate Avenue Rm 103
San Diego, California 92152-5765

(2) Recipient shall file Invention (Patent) Reports as of the close of the performance year and at the end of the term for this Agreement. Annual reports are due 60 days after the end of each year of performance and final reports are due 60 days after the expiration of the final performance period. Recipient shall use DD Form 882,

“Report of Inventions and Subcontracts”, to file an invention report as well as to report the lack of any invention. Recipient shall submit the original and one copy to the SPAWARSYSCEN PACIFIC Office of Patent Counsel, one copy to the Grants Administration Office, and one copy to the Grants Officer, if different than the Grants Administration Office.”

Final payment cannot be made nor can the agreement be closed out until Recipient delivers to the U.S. Government all reports and disclosures of subject inventions required by this agreement, all confirmatory instruments relating thereto, and an acceptable final report pursuant to the article entitled "Annual and Final Technical Reports".

(D) The following provision applies to all Recipients.

“AGREEMENT TO LICENSE/ NO IMPLIED LICENSE”

(1) Except as provided in b. below:

(a) Recipient shall obtain a license from the U.S. Government under the following U.S. patents, patent applications and all patents issuing thereon, and under all patents that may issue and patent applications that may be filed on the following invention disclosures, on reasonable terms and conditions, consistent with law, regulation, and Navy policy prior to any manufacture, use, sale, lease, license, or conveyance of any kind of any process, machine, manufacture, or composition of matter that would, absent such license, infringe any claim of such patent(s)/application(s):

[list patents/applications];

(b) Nothing in this award shall release Recipient from any obligation of or duty under any other U.S. Government procurement or non-procurement transaction; nor shall it grant to or confer upon Recipient any rights, express or implied, (1) to any invention other than a Subject Invention, (2) under any patent application or patent assigned to the U.S. Government that is dominant over a patent protecting a Subject Invention, (3) under any patent application or patent assigned to the U.S. Government protecting an invention other than a Subject Invention, or (4) under the U.S. patent(s)/patent application(s) identified in 1. above.

(2) No license from the U.S. Government shall be required for research, development, test and evaluation to be performed by Recipient under this award.

(E) The following provision applies to all Recipients.

“RIGHTS IN MASK WORKS”

(1) **Definitions:**

(a) “Semiconductor Chip Product” is the final or intermediate form of any product--

(i) having two or more layers of metallic, insulating, or semiconductor material, deposited or otherwise placed on, or etched away or otherwise removed from, a piece of semiconductor material in accordance with a predetermined pattern; and

(ii) intended to perform electronic circuit functions.

(b) “Mask Work” is a series of related images, however fixed or encoded--

(i) having, or representing the predetermined, three-dimensional pattern of metallic, insulating, or semiconductor material present or removed from the layers of a Semiconductor Chip Product; and

(ii) in which series the relation of the images to one another is that each image has the pattern of the surface of one form of the Semiconductor Chip Product.

(c) “Fixed”. A Mask Work is “fixed” in a Semiconductor Chip Product when its embodiment in the Semiconductor Chip Product is sufficiently permanent or stable to permit the Mask Work to be perceived or reproduced from the Semiconductor Chip Product for a period of more than transitory duration.

(2) **License Grant.** For each and every Mask Work generated by Recipient during the performance of work under this Award, Recipient grants to the U.S. Government, a non-exclusive, irrevocable, royalty free, world-wide license to: (1) reproduce the Mask Work by optical, electronic, or any other means; (2) import or distribute a Semiconductor Chip Product in which the Mask Work is embodied; and (3) to induce or knowingly to cause another person, contractor or subcontractor to do any of the acts described in (1) or (2).

(3) **Subawards.** Recipient shall include this clause, suitably modified to replace “Recipient” with “Subrecipient” in all subawards, regardless of tier, in which a Mask Work is likely to be created in the performance of the work under the subaward. Recipient shall not, as part of the consideration for awarding the subaward, obtain rights in the Subrecipient’s Mask Works.

(F) Recipients are responsible for affixing and shall affix appropriate markings indicating the rights of the U.S. Government on all data delivered under the award. The

U.S. Government shall be deemed to have unlimited rights in all data and technical data delivered without markings.

(G) Recipients will include these clauses, suitably modified to identify the parties, in all subawards, regardless of their tier.

II. COPYRIGHTS, DATA, FOIA AND TITLE TO INTELLECTUAL PROPERTY

(A) All Part 32 Recipients are subject to the following:

(1) COPYRIGHTS

Recipient may copyright any work that is subject to copyright and was developed, or for which ownership was purchased, under an award. DoD Components reserve a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

Recipient may place copyright notices on works developed under this award in the following format: “© YYYY, Recipient”. Recipient may not, however, include any other additional language (such as “All Rights Reserved”, for example) that could cause confusion to future end users as to the scope of the Government’s copyright rights in the Recipient’s work.

Recipient may not incorporate any third party copyrighted works in any works developed under this award that would limit or restrict the Government’s reservation of rights in Recipient’s work as stated above. Additionally, Recipient may not incorporate third party intellectual property in a manner that would create any unintended licensing burden on the Government in any works under this award without the prior written permission of the Grants Officer.

Finally, in the event that any work developed under this award is delivered under a future Government procurement, Recipient acknowledges that the work was developed at least partly at Government expense.

(2) DATA

The Federal Government has the right to:

(a) Obtain, reproduce, publish or otherwise use the data first produced under an award; and

(b) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

Recipient may not place any data markings (such as “Proprietary”, or “Confidential”, for example) of any kind in any work developed under this award, nor may Recipient incorporate any third party materials that have such data markings in any material developed under this award.

(3) FREEDOM OF INFORMATION ACT

(a) In addition, in response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under an award that were used by the Federal Government in developing an agency action that has the force and effect of law, the DoD Component that made the award shall request, and Recipient shall provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the DoD Component that made the award obtains the research data solely in response to a FOIA request, the DoD Component may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the DoD Component, Recipient, and applicable subrecipients. This fee is in addition to any fees the DoD Component may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

(b) The following definitions apply for purposes of paragraph (A) of this section:

(i) Research data is defined as the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This "recorded" material excludes physical objects (e.g., laboratory samples). Research data also do not include:

(A) Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and

(B) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

(ii) Published is defined as either when:

(A) Research findings are published in a peer-reviewed scientific or technical journal; or

(B) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

(iii) Used by the Federal Government in developing an agency action that has the force and effect of law is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

(4) TITLE

Title to intangible property and debt instruments acquired under an award or subaward (rather than developed or produced under the award or subaward) vests upon acquisition in Recipient. Recipient shall use that property for the originally-authorized purpose, and Recipient shall not encumber the property without approval of the DoD Component that made the award. When no longer needed for the originally authorized purpose, disposition of the intangible property shall occur in accordance with the provisions of 32 CFR §32.34(g).

(B) All Part 34 Recipients are subject to the following:

(1) COPYRIGHT

Recipient may copyright any work that is subject to copyright and was developed under an award. DoD Components reserve a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

Recipient may place copyright notices on works developed under this award in the following format: “© YYYY, Recipient”. Recipient may not, however, include any other additional language (such as “All Rights Reserved”, for example) that could cause confusion to future end users as to the scope of the Government’s copyright rights in the Recipient’s work.

Recipient may not incorporate any third party copyrighted works in any works developed under this award that would limit or restrict the Government’s reservation of rights in Recipient’s work as stated above. Additionally, Recipient may not incorporate third party intellectual property in a manner that would create any unintended licensing burden on the Government in any works under this award without the prior written permission of the Grants Officer.

Finally, in the event that any work developed under this award is delivered under a future Government procurement, Recipient acknowledges that the work was developed at least partly at Government expense.

(2) DATA

Unless waived by the DoD Component making the award, the Federal Government has the right to:

(a) Obtain, reproduce, publish or otherwise use for Federal Government purposes the data first produced under an award.

(b) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

Recipient may not place any data markings (such as “Proprietary”, or “Confidential”, for example) of any kind in any work developed under this award, nor may Recipient incorporate any third party materials that have such data markings in any material developed under this award.

(C) FLOW-DOWN

Recipients will include these clauses, suitably modified to identify the parties, in all subawards, regardless of their tier.